

# Legal Assistance Resource Center

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Testimony before the Human Services Committee in support of  
Safety Net and Jobs First Bills – SB 840, HB 5558 and HB 6218

by Jane McNichol, Executive Director  
February 10, 2011

I am Jane McNichol, Executive Director of the Legal Assistance Resource Center of Connecticut, the advocacy and support center for legal services programs in the state. We represent the interests of very-low income residents of the state. LARCC is also the convener of the Welfare Working Group, a group of about 25 advocates who have monitored Connecticut's family welfare program since 1995.

### **HB 6218 – An Act Establishing a Task Force on Safety Net Services**

**I am here to speak in support of HB 6218, which would establish a task force to recommend ways to improve access to vital benefits administered by the Department of Social Services and to improve the state's Temporary Family Assistance and Jobs First Employment Services programs. I want to address particularly the importance of making changes to Connecticut's family welfare program. This program was designed in 1995 during the Rowland administration, just before the adoption of federal welfare reform, and has not changed significantly since then.**

But many other things have changed. We have 16 years of experience with "welfare reform". Numerous national evaluations have been done. The Program Review and Investigations Committee studied Connecticut's program and made recommendations for changes, many of which have not been enacted and would still be relevant.

We have experienced good times, bad times and now, tremendously bad times as a state and a nation. The late 1990's were a time of economic growth that helped many parents on welfare enter the workforce; now we are in the worst economic downturn since the Depression. **According to the Center on Budget and Policy Priorities, Connecticut's TFA program ranked 41<sup>st</sup> in the country in responsiveness to the recession. TFA has been much less responsive to the recession than our SNAP or Unemployment Compensation systems.**

The TFA caseload has also changed. **The number of families receiving cash assistance in Connecticut has fallen from about 52,000 in 1997 to about 19,000 now.** Families in which the parents are required to work, who are subject to time limits and required to participate in the Jobs First Employment Services program, make up a much smaller percent of the caseload. In 1997, families in the JFES program were 75% of the caseload; now parents in the JFES program make up only 44% of the TFA caseload.

But the only significant policy changes since the program was designed 16 years ago have been to tighten time limits for families.

**With a new administration, with families facing new economic challenges and with vast changes in the employment picture, we need to look at our family welfare program design and adjust it to new circumstances.**

We support the establishment of a task force to make recommendations to the Governor and the legislature about changes to the TFA and Jobs First systems based on experience and research.

**But we strongly urge that RB 6218 be amended to include members of the public on the task force.** The current bill includes only members of the administration and the legislature. Provisions should be added to include state employees with direct experience with the program, present or former program participants, social service providers and advocates. Attached to my testimony is proposed language that would add these participants. The language mirrors the structure and appointing authorities used in the bill from last session which established the Commission on NonProfit Health and Human Services.

**SB 840 – An Act Concerning Educational Activities for Participants in the Jobs First Program**

**HB 5558 – An Act Concerning Educational Opportunities for Recipients of Temporary Family Assistance Benefits Under the Jobs First Program**

Both these bills address the need for more education and training in the Jobs First Employment Services program. Participants in JFES face a number of systemic barriers to getting the education, training and work experience that they need to move from welfare to work that can sustain their families. JFES parents often have limited education and work experience and sometimes are not proficient in English. Addressing these significant barriers to employment often requires remedial adult education that takes longer than the Connecticut system allows.

**Almost all JFES participants are limited to 21, or at the most, 33 months of assistance.** This is often simply not enough time to make up educational deficits, complete desired skills courses and/or acquire work experience through a subsidized work program. The time limit is also a significant barrier to the relatively small number of people who would be able to pursue post-secondary degrees under the new provisions adopted by the legislature last year.

**SB 840 would address this problem by permitting extensions for people who are actively engaged in approved education, training or subsidized employment activities in JFES.** This is an excellent idea, but might cost some money. If it is determined that making this policy switch across the board would result in substantially more extensions than are currently being granted, I would suggest the adoption of a pilot program for a limited number of people to experiment with this plan. On Tuesday, the Committee raised a concept which I understand is being drafted into a bill that would establish such a pilot.

**Another systemic bar to education and training is the policy that JFES participants engage in activities that meet the federal work participation requirements.** This issue is addressed in HB 5558, which requires DSS to permit JFES participants who do not have a high school diploma to engage in educational activities without regard to the federal limitation on these activities to the last 10 hours of work activities.

The state must meet its federal work participation rate requirements in order to ensure continued receipt of its full TANF block grant allocation of \$267 million a year. Generally, the state must show that 50% of the families that the federal government deems able to work are engaged in "countable" activities. But that 50% participation rate is reduced based on a caseload reduction credit so that Connecticut, like most other states, does not have to reach the 50% participation rate. Historically we have met the rate, although there were a couple of years recently when we either failed to meet the rate or came very close to failing. I believe that this year we are doing well at meeting the rate.

Connecticut attempts to ensure that we meet the rate by requiring that all JFES participants are in "countable" activities. It should be possible for DOL and DSS to monitor our progress carefully and to allow some people to engage in work-related activities that do not meet the stringent federal definitions of work activities. Other states do exercise this kind of flexibility.

Another way to address the problem created by the narrowness of the federal work activity definitions is to **develop creative programs that combine needed educational and skills training with "countable" work activities**. Some creative programs in Connecticut do this. We could encourage more to do so.

A third way to address the issue of designing work activities that meet participants' needs and federal work requirements is to devote more resources to the JFES program. We receive \$267 million in federal TANF block grant funds, which we must match with at least \$184 million in related state spending. **Of this total of at least \$451 million, we spend about \$18 million on the Jobs First Employment Services program**. With a small amount of additional funding, we could expand our subsidized work programs and provide incentives to programs to develop innovative programs that match education and countable work activities.

**A full discussion of how Connecticut spends its TANF and related state funds is included as an appendix to the Increasing Opportunity report that is part of Ellen Small Billard's testimony today.**

The short version of that information:

Since the TANF block grant became available,

- spending on cash assistance has fallen from about \$320 million to \$89 million
- spending on "Other" activities, usually programs that were previously funded with state or other funds, has risen from \$0 to \$195 million
- spending on the Jobs First Employment Services program has gone from \$12 million to \$19 million.

**If we expect parents to move from welfare to work that supports their families, we need to change the priorities of our TANF spending.**

Thank you for your attention to these important and too often neglected issues.

**Language adding members of the public (advocates, providers, state employees and program participants) to the Safety Net Task Force**

To be added to Raised Bill 6218 after Sec. 1(b)(9):

- (10) Three persons appointed by the Governor, one of whom shall be a representative of an organization that advocates for individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs and one of whom shall be a state employee providing services to individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs or a representative of such state employee;
- (11) Three persons appointed by the president pro tempore of the Senate, one of whom shall be a person who is a recipient of benefits in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs or representative of such person and one of whom shall be a representative of a private provider of services to individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs;
- (12) Two persons appointed by the speaker of the House of Representatives, one of whom shall be a representative of an organization that advocates for individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs and one of whom shall be a state employee providing services to individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs or a representative of such state employee;
- (13) Two persons appointed by the majority leader of the Senate, one of whom shall be a person who is a recipient of benefits in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs or representative of such person;
- (14) Two persons appointed by the majority leader of the House of Representatives, one of whom shall be a representative of a private provider of services to individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs;
- (15) Two persons appointed by the minority leader of the Senate, one of whom shall be a representative of an organization that advocates for individuals participating in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs; and
- (16) Two persons appointed by the minority leader of the House of Representatives, one of whom shall be a person who is a recipient of benefits in the TFA, JFES, Medicaid, HUSKY, food, housing or child care assistance programs or representative of such person

## How Connecticut Spends its TANF and MOE Funds – 1997 – 2009

Combined TANF and MOE Spending - FFY 1997 – 2009 (in millions of dollars)

TANF is the federal Temporary Assistance for Needy Families block grant, set up to replace the federal AFDC program. Connecticut is eligible for \$267 million a year in federal TANF funds and we generally receive and spend all that we are eligible for.

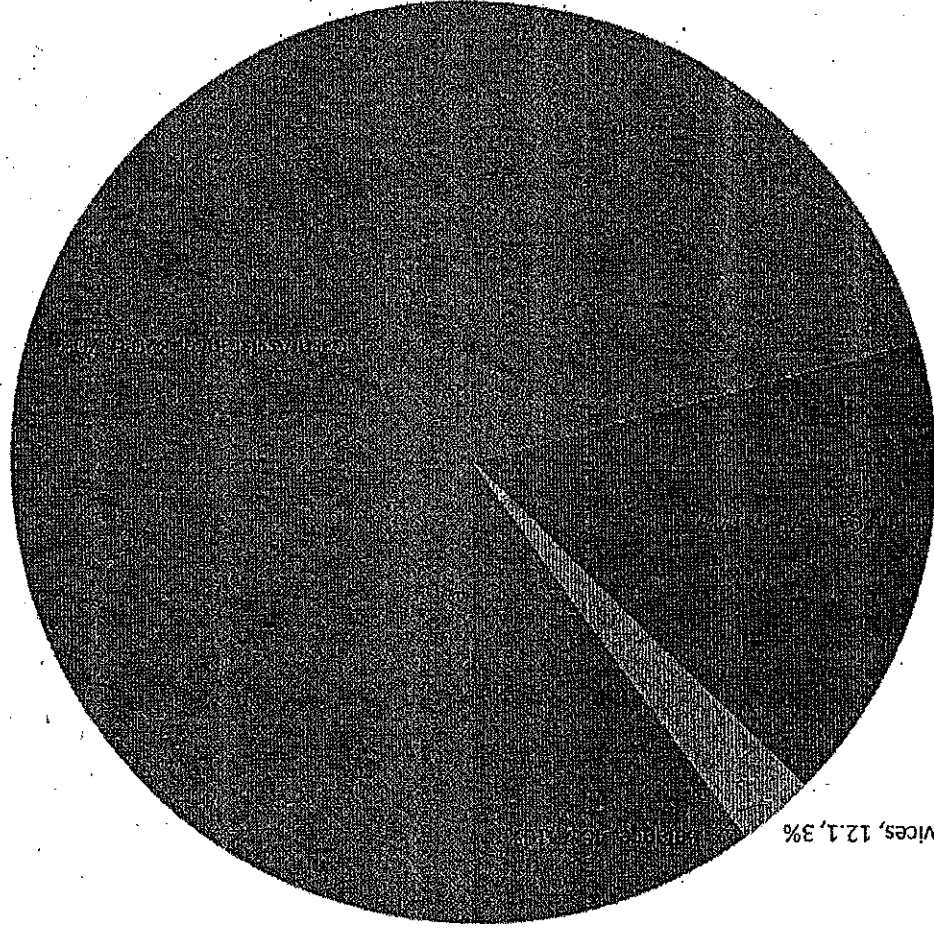
MOE stands for Maintenance of Effort funds, the funds that a state is required to spend in order to be eligible to receive federal TANF funds (similar to a match). Connecticut is required to spend \$184 - \$196 million in state MOE funds each year.

The information in the chart below is drawn from reports by the Department of Social Services to the TANF Council or to the Chairs of the Human Services Committee.

	1997	1999	2001	2003	2005	2007	2009
Transfer to SSBG	5.9	24.1	26.7	26.7	26.7	26.2	26.7
Cash Assistance	320.6	202.0	158.4	124.4	125.7	106.8	89.2
Child Care*	75.5	115.0	96.1	38.3	12.5	32.6	27.2
Other Services					0.3	0.1	0
Assistance - Prior Law			6.4	1.6	2.2	2.5	2.1
Other Work Act/Education (Higher Ed scholarships)			.4	16.8	7.7	1.1	0
GoodNewsGar, DOL Serv, WTW				1.6	1.2	0.3	0
Employment Services/ IPC	12.1	16.0	16.1	15.1	15.8	21.7	18.9
Transportation/Safety Net			5.1	5.3	4.8	4.0	5.6
Diversion							
Rental Assistance				1.8	2.3		
Energy							
Medicaid for Non-Citizens			5.0	8.3	8.6		
Prevention of Pregnancy*	0	0	21.4	38.9	66.4	76.2	70.3
2 - Parent Family Formation*	0	0	0	18.1	7.7	10.0	11.4
Prior Law*			13.0	15.9	15.5	18.7	20.3
Administration	37.3	37.0	37.0	21.5	28.6	34.3	37.3
Information Technology	2.5	1.0	1.7	0.8	0.7	0.9	.5
Family Supportive Housing (DCF)					0.9		
Other*	0	55.0	65.4	126.4	156.6	163.5	194.7
<b>Total</b>	<b>453.9</b>	<b>450.1</b>	<b>452.7</b>	<b>461.5</b>	<b>484.2</b>	<b>498.9</b>	<b>504.2</b>

\* for more details, see attached pages.

CT TANF - MOE Spending - FFY 1997



■ Cash Assistance ■ Child Care ■ Employment Services ■ Balance

# CT TANF-MOE Spending - FFY 2009 (in millions)

